# 2003 DRAFTING REQUEST

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Received: 11/11/2003				Received By: rchampag				
Wanted: Soon				Identical to LRB:				
For: Suzanne Jeskewitz (608) 266-3796				By/Representing:				
This file	may be shown	to any legislate	or: <b>NO</b>		Drafter: rchampag			
May Con	tact:				Addl. Drafters:			
Subject: Employ Pub - miscellaneous Employ Pub - retirement				Extra Copies:				
Submit vi	ia email: YES							
Requester	r's email:	Rep.Jeskev	vitz@legis.s	tate.wi.us				
Carbon co	opy (CC:) to:							
Pre Topi	c:							
No specif	ic pre topic gi	ven				•		
Topic:			54					
Health ins	surance covera	age for state em	ployees who	are annuitar	nts under the Wisco	onsin Retiremen	nt System	
Instructi	ons:	<u> </u>						
See Attac	hed.							
Drafting	History:							
Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required	
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/1	`		pgreensl 11/11/2003	3	sbasford 11/11/2003	lemery 11/13/2003		

11/13/2003 03:41:28 PM Page 2

FE Sent For:

# 2003 DRAFTING REQUEST

Bill

Received: 11/11/2003				Received By: rchampag				
Wanted: Soon				Identical to LRB:				
For: Suzanne Jeskewitz (608) 266-3796				By/Representing	<b>5</b> :			
This file	may be shown	to any legislate	or: <b>NO</b>		Drafter: rchampag			
May Cor	ntact:				Addl. Drafters:			
Subject: Employ Pub - miscellaneous Employ Pub - retirement				Extra Copies:				
Submit v	ria email: <b>YES</b>							
Requeste	er's email:	Rep.Jeske	witz@legis.s	state.wi.us				
Carbon c	copy (CC:) to:							
Pre Top	ic:			,	41			
No speci	fic pre topic gi	ven						
Topic:								
Health insurance coverage for state employees who are annuitants under the Wisconsin Retirement System								
Instruct	ions:	-						
See Attac	ched.							
Drafting	History:							
Vers.	<u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required	
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# 2003 DRAFTING REQUEST

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RCCCIVC	d. 11/11/2005				Received By: ro	champag		
Wanted: Soon				Identical to LRB:				
For: John Gard (608) 266-3387				By/Representing: Ellen				
This file may be shown to any legislator: NO					Drafter: rchampag			
May Contact:				Addl. Drafters:				
Subject: Employ Pub - miscellaneous Employ Pub - retirement			Extr 3714					
Submit	via email: <b>YES</b>						`	
Requester's email: Rep.Gard@legis.state.wi.us			Assembly Jacket					
Carbon copy (CC:) to:				JACKET				
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Health in	nsurance covera	age for state en	nployees wh	o are annuita	nts under the Wise			
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11/11/2003 09:26:37 AM Page 2

FE Sent For:

## 2003 DRAFTING REQUEST

Bill

Received: 11/11/2003

Received By: rchampag

Wanted: Soon

Identical to LRB:

For: John Gard (608) 266-3387

By/Representing: Ellen

This file may be shown to any legislator: NO

Drafter: rchampag

May Contact:

Addl. Drafters:

Subject:

**Employ Pub - miscellaneous** 

**Employ Pub - retirement** 

Extra Copies:

Submit via email: YES

Requester's email:

Rep.Gard@legis.state.wi.us

Carbon copy (CC:) to:

**Pre Topic:** 

No specific pre topic given

**Topic:** 

Health insurance coverage for state employees who are annuitants under the Wisconsin Retirement System

**Instructions:** 

See Attached.

**Drafting History:** 

Vers.

Drafted

Reviewed

Typed

Proofed

**Submitted** 

Jacketed

Required

/?

rchampag

FE Sent For:

## Champagne, Rick

From:

Nowak, Ellen

Sent:

Monday, November 10, 2003 4:42 PM

To:

Champagne, Rick

Subject:

retirement bill

### Rick:

After some thought, we would like that bill that you drafted for Sue Jeskewitz regarding anniuitants and the WRS to be drafted without the statement that it must be reviewed by the Jt. Comm. on Retirement systems. Thanks.



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State of Misconsin 2003 - 2004 LEGISLATURE

Today

LRB-211972 RAC:kjf:cph

LRB-3714/1

# 2003 ASSEMBLY BILL 638

November 5, 2003 - Introduced by Representatives Jeskewitz, Hahn, Albers. Musser, Owens, Townsend, Ott, Seratti, Hines and Boyle, cosponsored by Senators Risser and Roessler. Referred to Joint Survey Committee on Retirement Systems.

AN ACT to amend 40.05 (4) (ad) and 40.51 (2); and to create 40.02 (25) (b) 5m.

of the statutes; **relating to:** payment of health insurance premiums for certain annuitants under the Wisconsin Retirement System who become employed by the state.

## Analysis by the Legislative Reference Bureau

Under current law, a person who is an annuitant under the Wisconsin Retirement System (WRS) and who subsequently becomes employed by the state is not eligible for employer contributions toward the cost of heath insurance coverage during the time that he or she is employed by the state unless the person first terminates his or her WRS annuity. This bill permits a person who is a WRS annuitant to become a state employee and become eligible for employer contributions toward the payment of the cost of heath insurance coverage while employed by the state without having to terminate his or her WRS annuity. In order for the annuitant to become eligible for the employer contributions, the person's employer must agree at the time that the annuitant is hired by the state to make the employer contributions.

This bill will be referred to the Joint Survey Committee on Retirement Systems for a detailed analysis, which will be printed as an appendix to this bill.

### **ASSEMBLY BILL 638**

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 40.02 (25) (b) 5m. of the statutes is created to read:

40.02 (25) (b) 5m. An annuitant who is employed by a state agency after becoming an annuitant and who does not terminate his or her retirement annuity under s. 40.26 and whose employer has agreed, in writing, at the time that the annuitant is hired by the state to pay employer contributions towards the premium costs of health insurance coverage under s. 40.05 (4) (ag).

**SECTION 2.** 40.05 (4) (ad) of the statutes is amended to read:

40.05 (4) (ad) For health insurance, each insured retired employee who elects coverage under s. 40.51 (10), (10m) or (16) shall pay the entire amount of the required premiums, except as provided in par. (bc). This paragraph shall not apply to an eligible employee, as defined in s. 40.02 (25) (b) 5m.

**SECTION 3.** 40.51 (2) of the statutes is amended to read:

40.51 (2) Except as provided in subs. (10), (10m), (11) and (16), any eligible employee may become covered by group health insurance by electing coverage within 30 days of being hired, to be effective as of the first day of the month which begins on or after the date the application is received by the employer, or by electing coverage prior to becoming eligible for employer contribution towards the premium cost as provided in s. 40.05 (4) (a) to be effective upon becoming eligible for employer contributions. An eligible employee who is not insured, but who is eligible for an employer contribution under s. 40.05 (4) (ag) 1., may elect coverage prior to becoming eligible for an employer contribution under s. 40.05 (4) (ag) 2., with the coverage to

### **ASSEMBLY BILL 638**

be effective upon becoming eligible for the increase in the employer contribution. Any employee who does not so elect at one of these times, or who subsequently cancels the insurance, shall not thereafter become insured unless the employee furnishes evidence of insurability satisfactory to the insurer, at the employee's own expense or obtains coverage subject to contractual waiting periods. The method to be used shall be specified in the health insurance contract. This subsection shall apply specifically to an eligible employee, as defined in s. 40.02 (25) (b) 5m., even if that employee would otherwise be subject to subs. (10), (10m), or (16) or any contractual waiting period applicable under subs. (10), (10m), or (16).

### SECTION 4. Nonstatutory provisions.

(1) Notwithstanding section 40.51 (2) of the statutes, an eligible employee, as defined in section 40.02 (25) (b) 5m. of the statutes, as created by this act, who is employed by the state on the effective date of this subsection shall not be required to elect coverage prior to becoming eligible for employer contributions towards the premium costs of health insurance coverage if the employee elects the coverage before the 90th day after the effective date of this subsection and if the employee's employer agrees, in writing, to pay employer contributions towards the premium costs of health insurance coverage under section 40.05 (4) (ag) of the statutes. Any such election must be made by the employee in writing on an application form provided by the department of employee trust funds and must be received by the department of employee trust funds and must be received date of this subsection. Coverage shall be effective on the first day of the month that begins after the department receives a timely application under this subsection, unless on the date that the application is received the employee is not yet eligible for employer contributions towards the premium costs of health insurance coverage under section

## ASSEMBLY BILL 638

- 1 40.05 (4) (a) of the statutes and the employee has specified that the coverage is to
- 2 become effective upon becoming eligible for the employer contributions.

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(END)